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ABSTRACT

This report provides comparative data on various features of 36 student loan programs available to undergraduate and/or graduate students in New York. Presented in a table format, the report provides information on loan type, lender, maximum limit, minimum limit, interest rate/payment, fees, repayment guidelines, eligibility, disbursement, and comments for the following general loan sources: Access Loans, Citibank, Educaid, Keybank USA, Knight College Resource Group, Lawloans, Medcap, Medloans, Nellie Mae Loans, Private National Collegiate (PNC) Bank N.A., Sallie Mae, and The Education Resources Institute (TERI). Some loans are specifically targeted to students in such fields as medicine, law, or business administration. (MDM)

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Alternative Loan Programs

A Comparison of Various Features

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Alternative Loan Programs

A Comparison of Various Features

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Comparison of Various Features of Alternative Loan Programs

Loan Type	Lender	Maximum Limit	Minimum Limit	Interest Rate/Payment	Fees
ACCESS LOANS					
Law Access Program Business Access Program Graduate Access Program	KeyBank USA; TERI	Cost Of Attendance (COA); $100,000 Tier 1 aggregate; $120,000 Tier 2 aggregate	$500	Varies quarterly; based on 13-Week T-Bill + 3.25% until repayment begins, thereafter 3.40%. May be deferred and capitalized once at repayment; may make quarterly interest payments before repayment. Law Access borrowers receive a discounted interest rate on Unsub FFEL prior to repayment.	Law: 7% guarantee fee at the time of disbursement, and an additional 4% added to the principal balance immediately prior to repayment. No origination fee. Business: 6.5% at disbursement, 2% at repayment. Graduate: 7% at disbursement, 3% at repayment.
Medical Access Program Dental Access Program	KeyBank USA; TERI	Medical: COA; $135,000 Tier 1 aggregate; $165,000 Tier 2 aggregate Dental: $100,000 Tier 1 aggregate; $135,000 Tier 2 aggregate	$500	Medical: Varies quarterly; based on 13-Week T-Bill + 2.50% in school until repayment, thereafter 2.75%. Dental: Varies quarterly; based on 13-Week T-Bill + 2.50% in school until repayment, thereafter 3.0%. Interest capped at repayment.	Medical: 6.5% guarantee fee at the time of disbursement, and an additional 2% added to the principal balance immediately prior to repayment. No origination fee. Dental: 8% at disbursement, 2% at repayment
CITIBANK					
Med Loans Graduate Loans MBA Assist Eng Assist (Engineering)		Med Loans: $20,000; $135,000 aggregate Graduate Loans and MBA Assist: $15,000; $100,000 aggregate Eng Assist: $8,500; $80,000 aggregate	$500	Med Loans: Varies quarterly; based on T-Bill + 2.60% until repayment, thereafter 2.85%. Graduate: Varies quarterly; based on T-Bill + 4% until repayment, thereafter 4.50%. MBA: Varies quarterly; based on T-Bill + 3.25% until repayment, thereafter 3.40%. Eng Assist: Varies quarterly; based on T-Bill + 3.25% until repayment, thereafter 3.50%.	Med Loans: 8.50% Graduate and Eng Assist: 6% with co-signer, 9% without co-signer. No additional fee at repayment. MBA Assist: 8.50%
EDUCAID					
EXTRA Premier Loan	Educaid affiliate purchases from National Bank - Originator, immediately after disbursement; Guarantor is HICA.	Annual - COA less other aid; aggregate $60,000; Cumulative Debt $150,000	$1,000	Varies quarterly; based on 52-Week T-Bill + 3.10%; deferment while student is enrolled in school; interest may be paid quarterly or accrued and capitalized annually.	5% guarantee fee for borrowers choosing immediate repayment option; 6% guarantee fee for borrowers choosing deferred repayment. No origination or application fees.

NOTES: See individual lender for specific APR. Information is current as of 9/30/96.

Comparison of Various Features of Alternative Loan Programs

Repayment	Eligibility	Disbursement	Comments
ACCESS LOANS			
Begins 9 months after graduation; up to 20 years to repay. Minimum monthly payment of $50. Forbearance options at discretion of lender. * Business and Graduate - 9 months grace or 36 months after the first disbursement, whichever comes first.	At least half time student at ABA-approved law school; satisfactory credit history; U.S. citizen or eligible non-citizen.	Multiple disbursements; up to 4 per loan period. Minimum of 2 required. Payable to the student; mailed or electronic transfer to school.	No cancellation provisions for permanent and total disability or death.
Medical and Dental: Begins 9 months after graduation; up to 20 years to repay. Minimum monthly payment of $50. If residency, deferred up to 48 months, then 9 months grace.	Terms & conditions of FFELP; enrolled in an approved medical or ADA-accredited dental school; must meet credit criteria.		
CITIBANK			
Begins 6 months after graduation. Med Loans: up to 20 years. All others: up to 15 years. Repayment options: 1) interest-only while in school. 2) 15 years of principal and interest. 3) 1 - 2 years of interest only, plus 13 - 14 years of principal and interest.	Citibank approved school. Satisfactory credit history. U.S. citizen OR apply with a U.S. citizen co-signer.		
EDUCAID			
Begins 6 months after graduation with a maximum deferment of 5 years from initial disbursement. Repayment options include full repayment of 15 years principal and interest or 3 years interest only and 12 years of principal and interest.	Enrolled at least half time at an eligible institution approved by Educaid. A U.S. citizen or national, or an eligible permanent resident with a U.S. citizen or national co-signer. Credit worthy; or must have no adverse credit, and have credit worthy co-signer.	Checks are made co-payable to the student borrower and the school.	The student is always the borrower.

Comparison of Various Features of Alternative Loan Programs

Loan Type	Lender	Maximum Limit	Minimum Limit	Interest Rate/Payment	Fees
KEYBANK USA					
Key Alternative Loan	KeyBank USA	$5,000 freshman year; $7,500 other undergraduate years; $35,000 aggregate	$1,000	Variable; 52-Week T-Bill + 3.10% while in school; changes to 3.25% during repayment; adjusts quarterly.	4% with co-signer; 9% without co-signer
KNIGHT COLLEGE RESOURCE GROUP					
Achiever Loan Option A Option B Option C	KeyBank USA	COA less other aid	$2,000	Option A - Multiple Year Option: varies quarterly; 13-Week T-Bill + 3.95%; 9.16% as of October 1, 1996. Options B & C - Annual or Interest-Only Option: varies quarterly; 13-Week T-Bill + 4.50%; 9.75% as of October 1, 1996.	Options A & B - Multiple Year and Annual Option: 3.00%; $35 processing fee. Option C - Interest-Only Option: 4.00%; $35 processing fee.
Med Achiever	KeyBank USA	COA less other aid	$1,000	91-Day T-Bill + 2.50% in school; T-Bill + 2.85% during repayment.	6% at disbursement; 2% at repayment
ADEAL (Dental)	KeyBank USA; HICA	COA less other aid; $20,000 annual	None	91-Day T-Bill + 2.50% during school; T-Bill + 3.00% during repayment.	6.50% at disbursement; 2.00% at repayment; 2.50% 36 months into repayment
LAWLOANS					
Law Student Loan Bar Study Loan	Sallie Mae; HEMAR Insurance Corp.; Northstar Guarantee, Inc.; Norwest Bank of South Dakota	Without co-signer: COA less other aid, annual, $75,000 total; aggregate all sources - $125,000. With co-signer: COA less other aid, annual, $100,000 total; aggregate all sources - $150,000	$500	Adjusted quarterly; based on 91-Day T-Bill + 3.25%; T-Bill + 3.50% during repayment. Accrues while in school; capitalized once at repayment.	6.5% guarantee fee at disbursement. If no co-signer, an additional fee (currently 5.25%) capitalized at repayment, not to exceed 8.75%. No origination fee. NOTE: Guarantee fee on Federal Stafford loans is .75%.
MEDCAP					
Medical Access Program	Norwest Bank of South Dakota; Northstar Guarantee, Inc.	$175,000 aggregate maximum (all sources)	$500	Varies quarterly; based on T-Bill + 2.50% until repayment begins, thereafter 2.85%. Capitalized at graduation and annually until repayment.	6% guarantee fee at disbursement, and an additional 3% added to the loan balance immediately before commencement of the repayment period. No origination fee.

NOTES: See individual lender for specific APR. Information is current as of 9/30/96.

Comparison of Various Features of Alternative Loan Programs

Repayment	Eligibility	Disbursement	Comments
KEYBANK USA			
Begins 6 months after graduation; 10 years if aggregate is less than $15,000, 15 years if aggregate is greater than or equal to $15,000. Interest capitalizes annually while in school.	Full-time undergraduate at 4-year institution. U.S. citizen or eligible non-citizen; borrower and/or co-signer must meet credit criteria.	Sent to school by check or EFT each semester or quarter.	
KNIGHT COLLEGE RESOURCE GROUP			
Options A & B - 15 years. Option C - Interest only during in-school, 15-year repayment.	Must meet credit criteria.		
If resident, 4 years grace after graduation; 20-year repayment.	Full time medical student at accredited allopathic or osteopathic school; U.S. citizen.	Application to school for certification; 5 - 6 business days for processing.	Residency Travel and Relocation Loan Available.
Upon graduation: 24-month grace; 20-year repayment.	Full time student attending accredited dental school; U.S. citizen.	Same as Med Achiever.	Best Bet Loan available to cover the cost of dental board exam and travel expenses.
LAWLOANS			
Begins 9 months after graduation, or 4 years after first disbursement, whichever is earlier; up to 15 years to repay; standard repayment terms or graduated option. Eligible for Sallie Mae's Law Rewards℠, an interest rate reduction of .5% on private Law Student or Bar Study Loans after 48 on-time payments.	At least half-time student attending an approved ABA law school participating in the LAWLOANS Program. U.S. citizen or national (permanent resident must apply with a creditworthy U.S. citizen co-signer). Must apply for Federal loans. Must meet credit criteria and have all outstanding student loans in good standing.	Multiple; up to 4 per loan period, school's option. Co-payable to school and borrower or payable to borrower; EFT to school.	Available to schools participating in either FFELP or FDSLP. Loans to students in a joint Law/MBA program also available.
MEDCAP			
Begins 9 months after graduation; up to 20 years to repay. Minimum monthly payment of $50.	Terms & conditions of FFELP and enrolled in an approved medical school; specific credit criteria.	Multiple; up to 4 per loan period. Payable to borrower; EFT to school.	No cancellation provisions for death or disability; offers life insurance; offers consolidation; offers MEDCAP-EXTRA for residency and relocation expense.

Comparison of Various Features of Alternative Loan Programs

Loan Type	Lender	Maximum Limit	Minimum Limit	Interest Rate/Payment	Fees
MEDLOANS					
Association of American Medical Colleges	Household Bank; HEMAR Insurance Group of America; USA Group; Sallie Mae	$175,000 aggregate maximum, all sources.	$500	Varies quarterly; based on T-Bill + 2.50% prior to graduation or withdrawal. Thereafter, T-Bill + 2.85%. Deferred and capitalized at graduation, thereafter capitalized annually until repayment begins.	6% guarantee fee at disbursement, and an additional 3% added to the loan balance immediately before commencement of the repayment period. No origination fee.
NELLIE MAE LOANS					
Share	Nellie Mae	COA less other aid	$2,000 annually	Monthly variable, prime rate + 0% first year, prime + .5% in subsequent years OR 1 year renewable prime rate + 2 to 3%, set on 8/1.	5% guarantee fee can be deducted from or added to the requested loan amount.
Grad Share	Nellie Mae	$12,000, COA with co-signer; aggregate limits vary by degree program Engineering - $65,000; Other - $50,000	$2,000	Monthly variable, prime rate + 0% first year, prime + .5% in subsequent years OR 1 year renewable prime rate + 2 to 3%, set on 8/1.	8% guarantee fee, or 6% with co-signer. Additional 2% interest deferral fee assessed at start of repayment if repayment Option 3 is chosen.
Law Share	Nellie Mae	$15,000, COA with co-signer; $105,000 aggregate	$2,000	Same options as Grad Share	9% without co-signer, OR 6% with co-signer; 2% capitalization fee.
MBA Share	Nellie Mae	$15,000, COA with co-signer	$2,000	Same options as Grad Share	8% without co-signer, 6% with co-signer
MedDent Share	Nellie Mae	$20,000, up to COA with co-signer; aggregate: Medical - $120,000; Dental - $90,000	$2,000	Same options as Grad Share	8% without co-signer, 6% with co-signer
Excel	Nellie Mae	COA less other aid	$2,000	Prime + 0.5% in first year. Prime + 1% in subsequent years. 1 year renewable - prime + 2-3%.	7% guarantee fee

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Comparison of Various Features of Alternative Loan Programs

Repayment	Eligibility	Disbursement	Comments
MEDLOANS			
Begins 3-4 years after graduation; depending on length of residency training, or after 9 months if student drops to less than half time prior to graduation. Up to 20 years to repay. Offers standard repayment (20 years of interest & principal) or alternative of 3 years interest only (17 years interest and principal). Eligible for Great Rewards, Great Returns, and Direct Repay to reduce interest rates.	Terms and conditions of FFELP and enrolled in an AAMC member school at least half time.	Multiple; up to 4 per loan period at the school's option. Mailed or EFT to school.	Also available: - Life insurance - MEDEX - covers cost of securing a residency - Federal Student Loan Consolidation - Private Student Loan Consolidation
NELLIE MAE LOANS			
Principal and interest in fixed monthly payments beginning 45 days after disbursement OR interest only up to 4 years in school. Repayment period from 4 to 20 years.	Undergraduate or graduate students enrolled at least half time at 1 of the 32 member institutions of the Consortium on Financing Higher Education (COFHE). Must meet credit criteria.	1 or 2 disbursements - amount per disbursement is the school's option.	
Same options as Share, plus Option 3; defer interest and principal up to 4 ½ years while enrolled; interest capitalized at start of repayment. Repayment period from 4 to 20 years.	Graduate students enrolled at least half time at a COFHE member institution. Must meet credit criteria.	1 or 2 disbursements. Amount per disbursement is the school's option.	
Same options as Grad Share	Same options as Grad Share	Same options as Grad Share	
Same options as Grad Share	Same options as Grad Share	Same options as Grad Share	
Same options as Grad Share	Same options as Grad Share	Same options as Grad Share	Residency and relocation loans available, in final year of school. Students may borrow up to $5,000 in addition to the regular loan amount.
Pay principal and interest or pay interest only.	Parent usually the primary borrower. Undergraduate or graduate at least half time. Must meet credit criteria.	1 - 2 disbursements. Amounts can be determined by Financial Aid Officer.	

Comparison of Various Features of Alternative Loan Programs

Loan Type	Lender	Maximum Limit	Minimum Limit	Interest Rate/Payment	Fees
NELLIE MAE LOANS (Cont'd)					
Grad Excel	Nellie Mae	$10,000, up to COA with co-signer; aggregate varies by discipline	$2,000	Prime + 0.5% in first year. Prime + 1% in subsequent years, or 1 year renewable - prime + 2-3%.	7% with co-signer; 10% without co-signer; 2% capitalization fee if defer both principal and interest.
MedDent Excel MBA Excel Law Excel	Nellie Mae	$10,000 (Law - $12,000) up to COA with co-signer; aggregate: Medical - $110,000; Dental - $55,000; MBA - $80,000; Law - $105,000	$2,000	Prime + 0.5% in first year. Prime + 1% in subsequent years. 1 year renewable - prime + 2-3%.	Medical - 9% Dental 10%, MBA - 9% Law - 10% 7% with co-signer 2% capitalization fee if defer both principal and interest.
PNC Bank N.A.					
Private National Collegiate Loan (PNC Loan)	PNC Bank N.A.; USA Group Loan Services	COA less other aid; $95,000 aggregate (undergraduate and graduate debt)	$1,000	Varies quarterly; based on the 91-Day T-Bill + 3.25%. May be deferred and capitalized once at repayment; may make quarterly interest payments before repayment.	5% with co-signer; 9% without co-signer
SALLIE MAE					
Signature Student℠ Loan	Sallie Mae and its affiliated network of lenders - Hemar Insurance Corporation of America or lender as insurer	COA less other aid; $100,000 aggregate	$500	Interest rate is variable, adjusted quarterly based on the 91-Day T-Bill rate + 3.10% with co-signer and 91-Day T-Bill rate + 3.50% without co-signer.	6% at disbursement; an additional 3% is charged at repayment for loans without co-signer.

NOTES: See individual lender for specific APR. Information is current as of 9/30/96.

Comparison of Various Features of Alternative Loan Programs

Repayment	Eligibility	Disbursement	Comments
NELLIE MAE LOANS (Cont'd)			
Pay principal and interest, pay interest only, defer principal and interest up to 4 ½ years while enrolled. Interest capitalized at start of repayment period; up to 20 years.	Same options as Grad Excel	Same options as Grad Excel	Medical/Dental Rights and Responsibilities same as Medical/Dental Share
Pay principal and interest, pay interest only, defer principal and interest up to 4 ½ years while enrolled. Interest capitalized at start of repayment period; up to 20 years.	Graduate student enrolled at least half time. Must meet credit criteria.	1 - 2 disbursements. Amounts can be determined by Financial Aid Officer.	
PNC Bank N.A.			
15 years beginning after maximum 5-year in-school period followed by a 6-month grace period. Level or graduated repayment plans. $50 mimimum monthly payment. Internship/Residency Deferment maximum length 3 ½ years.	Attend an eligible 4- or 5-year degree-granting institution. Maintain at least a half time enrollment status and be making satisfactory academic progress toward a degree. U.S. citizen or permanent resident. Must meet credit criteria.	EFT, Master Checks and co-payable checks; multiple disbursements.	Also available from PNC: TERI Alternative loans for undergraduate and graduate study. Professional Education Plan (PEP) loans for graduate and professional study. (See descriptions under TERI.)
SALLIE MAE			
Begins 6 months after leaving school; up to 15 years. Eligible for Great Rewards and Signature Rewards (interest rate reductions after 48 on-time payments).	Undergraduate or graduate students who attend at least half time accredited 4-year colleges and universities and who have creditworthy co-signers. Borrowers at a limited number of schools can also apply without a co-signer if they have completed their freshman year. Students must meet credit criteria regarding age, enrollment status, satisfactory academic progress, citizenship, and maximum student loan indebtedness.	Disbursement Options: Choose up to 4 disbursements and have funds distributed through EFT, Master Check, or individual checks.	Federal Stafford Loans and Signature Student℠ Loans which are owned by Sallie Mae are serviced in one account with one bill.

Comparison of Various Features of Alternative Loan Programs

Loan Type	Lender	Maximum Limit	Minimum Limit	Interest Rate/Payment	Fees
SALLIE MAE (Cont'd)					
Signature Health℠ Loan	Sallie Mae and its affiliated network of lenders - Hemar Insurance Corporation of America or lender as insurer	COA less other aid; $100,000 aggregate	$500	Varies by school.	Varies by school.
Signature Select Loan	Jointly with the College Board; selected lenders; Sallie Mae	COA less other aid; $100,000 aggregate	$500	Varies by school.	Varies by school.
TERI					
TERI Alternative Loan Program (for undergraduate and graduate study)	Multiple lenders	COA less other aid	$2,000	Variable prime rate + 0%	5% at disbursement
Med Funds Alternative Undergraduate Loan Med Funds Alternative Graduate Loan		Undergraduate: COA less other aid; Graduate: $20,000, $80,000 aggregate	$1,000	91-Day T-Bill + 2.40% in school; 91-Day T-Bill + 2.70% in repayment	6% at origination with co-signer; 3% at repayment NOTE: Reduced Stafford insurance fee to borrowers using MED Funds Alternative Loans.
Professional Education Plan (PEP) (for graduate and professional study)		$7,500 (law students - $12,000); up to $20,000 if creditworthy. Aggregate based on disciplines.	$2,000	Variable prime rate + 0%; repayment amount remains fixed; fluctuation in interest rate reflected in length of repayment, not monthly amount.	6% at disbursement if creditworthy; 9% at disbursement if no credit history; 5% ($50 maximum) origination fee.

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Comparison of Various Features of Alternative Loan Programs

Repayment	Eligibility	Disbursement	Comments
SALLIE MAE (Cont'd)			
Begins 6 months after leaving school; up to 25 years.	Graduate students who attend eligible schools and are studying in an eligible health professions field. Students must meet credit criteria regarding age, enrollment status, satisfactory academic progress, citizenship, and maximum student loan indebtness. No co-signer is required except for foreign students and permanent residents.	Disbursement Options: Choose up to 4 disbursements and have funds distributed through EFT, Master Check, or individual checks.	Federal Stafford Loans and Signature Student℠ Loans which are owned by Sallie Mae are serviced in one account with one bill.
15 years	Participating schools tailor features of loan (eligibility, loan amounts, interest rates, fees, etc.). Default coverage provided by schools. May not need co-signer.		
TERI			
Up to 25 years; begins 45 days after disbursement of funds, or defer principal while in school. Repayment amount remains fixed; fluctuation in interest rate reflected in length of repayment, not monthly amount.	Must meet credit criteria and debt/income ratio analysis; enrolled at least half time at a TERI approved institution; U.S. citizen.		
Up to 20 years; begins 6 months after graduation for undergraduates, 9 months or end of deferment period for graduate.	Must meet credit criteria; U.S. citizen; enrolled in approved school for specified health care disciplines; apply for Stafford with Med Funds Alternative Loan Program.		Med Funds Alternative Option available for additional stipend for internship or residency.
Up to 20 years; begins 6 months after graduation; may defer interest while in school. Medical students may request second disbursement.	Must meet credit criteria; enrolled at least half time in degree-granting program; U.S. citizen.		

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